

**U.S. ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C.**

In the Matter of:	)	
	)	
G & K Automotive Conversions, Inc.	)	<b>SETTLEMENT AGREEMENT</b>
Respondent.	)	<b>AED/MSEB # 7109</b>
	)	

**This Settlement Agreement** is made and entered into by and between the United States Environmental Protection Agency (EPA) and G & K Automobile Conversions, Inc., 2530 South Birch Street, Santa Ana, California 92707 (G & K), regarding compliance by G & K with the requirements of the Clean Air Act (Act) and the regulations promulgated thereunder at 40 C.F.R. Part 85. By entering into this Agreement, G & K does not admit that it has committed any of the alleged violations or that any of the alleged violations were committed.

**Purpose**

1. The purpose of this Settlement Agreement (Agreement) is to provide for resolution and remediation of any and all claims by EPA under the Act and 40 C.F.R. Part 85, arising out of the importation of motor vehicles, as described in Appendixes A-D to this Agreement (Subject Vehicles), while ensuring that future violations are avoided.

**Statutory Authority:**

2. Sections 203(a)(1) of the Act, 42 U.S.C. § 7522 (a)(1), prohibits any person from importing into the United States a new motor vehicle unless the motor vehicle is covered by a Certificate of Conformity that was issued by EPA under Section 206(a) of the Act, 42 U.S.C. § 7525(a) and that is in effect.

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3. Under Section 205(a) of the Act, 42 U.S.C. § 7524(a), persons who violate Section 203(a)(1) of the Act are subject to a penalty of up to \$32,500 for each violation.

**Regulatory Authority**

4. 40 C.F.R. § 85.1513 prohibits the importation of a motor vehicle that is not covered by a certificate of conformity unless the importation meets the requirements of 40 C.F.R. Part 85, Subpart P (Importation of Motor Vehicles and Motor Vehicle Engines).
5. 40 C.F.R. § 85.1502(a)(7) defines an independent commercial importer (ICI) as an importer of motor vehicles who is not an original equipment manufacturer (OEM) or does not have a contractual agreement with an OEM to act as its authorized representative for the distribution of motor vehicles in the United States.
6. 40 C.F.R. § 85.1502(a)(9) defines a nonconforming vehicle as a motor vehicle that is not covered by a certificate of conformity prior to importation into the United States.
7. 40 C.F.R. § 85.1503(a) provides that a nonconforming motor vehicle offered for importation into the United States must be imported by an ICI who is a current holder of a valid certificate of conformity for the motor vehicle unless EPA grants an exemption or exclusion under 40 C.F.R. § 85.1511.
8. 40 C.F.R. § 85.1504 provides that motor vehicles may be conditionally admitted into the United States to allow an ICI to modify the motor vehicles to meet the requirements of the certificate of conformity that applies to the motor vehicles, subject to the condition that the period of conditional admission shall not exceed 120 days.
9. 40 C.F.R. § 1503(b) provides that final admission of a motor vehicle shall not be granted unless: (1) The motor vehicle is covered by a valid certificate of conformity issued in the name of the ICI and the ICI has complied with the certification and testing requirements

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of 40 C.F.R. § 85.1505; (2) the vehicle is modified and emissions-tested in accordance with the requirements of 40 C.F.R. § 85.1509; or (3) the vehicle is exempted or excluded under 40 C.F.R. § 85.1511.

10. 40 C.F.R. § 85.1515(c)(1) provides that motor vehicles that were conditionally imported by an ICI must be modified to meet the emission standards for the model year in which the vehicle is modified.
11. On June 3, 2005 (70 Fed. Reg. 40420), EPA promulgated new regulations, 40 C.F.R. §§ 85.1503(c) and (e), that allow a limited number of motor vehicles that were conditionally imported by an ICI to be modified to meet the emission standards that were in effect in the year the vehicle was originally produced. In the case of light duty motor vehicles, this is limited to a maximum of 50 vehicles per calendar year that for an ICI.
12. 40 C.F.R. § 85.1511(b) provides certain limited exemptions from the certification requirements for imported motor vehicles, provided that prior written approval is obtained from EPA based upon a written application that indicates that the importer is entitled to the exemption. 40 C.F.R. § 85.1511(b)(2) provides an exemption for testing vehicles, and 40 C.F.R. § 85.1511(b)(3) provides an exemption for prototype vehicles for use in applying to EPA for certification, subject to the limitation that no more than one prototype vehicle for each engine family for which an ICI is seeking certification shall be imported under this exemption.

#### **Background**

13. During all times relevant to this Agreement, G & K is an ICI within the meaning of 40 C.F.R. Part 85, Subpart P.

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Alleged Violations Involving MCC Smart Cars:

14. During the period December 3, 2002, through August 25, 2004, G & K imported the 108 Subject Vehicles, which are motor vehicles manufactured by MCC Smart (SmartCars), described in Appendix A to this Agreement.
15. On the EPA Importation of Motor Vehicles Declaration Forms (EPA Form 3520-1) for the each of the 108 Subject Vehicles, G & K represented that the vehicles were being imported as prototype vehicles for use in applying to EPA for certification, under the exemption at 40 C.F.R. § 85.1511(b)(3).
16. At the time the Subject Vehicles were imported G & K was seeking to obtain a certificate of conformity for a single engine family that G & K intended would apply to all of the Subject Vehicles.
17. G & K did not represent at the time of importation that the Subject Vehicles were being imported under the testing exemption of 40 C.F.R. § 85.1511(b)(2). Moreover, the Subject Vehicles would not be eligible for the testing exemption because G & K failed to submit to EPA a written application for a testing exemption, and because the number of Subject Vehicles exceeds the number of vehicles that reasonably could be necessary to conduct pre-certification testing.
18. Based upon the foregoing, EPA has determined that for 107 vehicles G & K exceeded the limitation under 40 C.F.R. § 85.1511(b)(3) that no more than one prototype vehicle for each engine family for which an ICI is seeking certification shall be imported, and that no other exemption or exclusion applied to these Subject Vehicles. This constitutes 107

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violations of Section 203(a)(1) of the Act, 42 U.S.C. § 7522(a)(1) and 40 C.F.R.

§ 85.1513(a), for which G & K is liable.

19. EPA has determined that G & K failed to complete the modifications of 98 of the Subject Vehicles, identified in Tables 2, 3 and 4 of Appendix A to this Agreement, to meet the requirements of a valid certificate of conformity within 120 days following their date of importation, as required by 40 C.F.R. § 85.1504. This constitutes 98 violations of Section 203(a)(1) of the Act, 42 U.S.C. § 7522(a)(1) and 40 C.F.R. § 85.1513(a), for which G & K is liable.
20. On November 15, 2004, EPA issued a certificate of conformity to G & K for engine family 4G1XV00.6SMT, which covers 2003 model year Pure, Pulse and Passion model SmartCars. This certificate expired on December 31, 2004.
21. Based upon the foregoing, EPA has determined that G & K imported the Subject Vehicles at a time when G & K was not the holder of a valid certificate of conformity for the Subject Vehicles, at least 98 of which, identified in Tables 2, 3 and 4 of Appendix A to this Agreement, were not exempt from the ICI certification requirement. This constitutes at least 98 violations of Section 203(a)(1) of the Act, 42 U.S.C. § 7522(a)(1) and 40 C.F.R. § 85.1513(a), for which G & K is liable.
22. With regard to the twelve Subject Vehicles identified in Table 2 of Appendix A to this Agreement, G & K submitted to EPA Applications for Final Admission of Nonconforming Imported Vehicle Forms (EPA Form 3520-8), representing that these motor vehicles had been modified in accordance with the certificate of conformity issued by EPA, and had met the emissions testing and other requirements of 40 C.F.R. Part 85, Subpart P, with regard to these Subject Vehicles. Notwithstanding the violations

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described above, EPA granted or acquiesced to G & K's Application for Final Admission for these Subject Vehicles, and they subsequently were introduced into commerce by G & K.

23. In addition to the Subject Vehicles, G & K is in possession of one model year 2003 SmartCar motor vehicle that was not imported by G & K, identified in Appendix B to this Agreement. Furthermore, this motor vehicle was not imported by an ICI who is a current holder of a valid certificate of conformity, and EPA did not grant an exemption or exclusion for this vehicle under 40 C.F.R. § 85.1511. As a consequence, this motor vehicle was not properly imported under 40 C.F.R. § 85.1503(a), is not eligible for modification by G & K to meet the requirements of the certificate of conformity issued to G & K, and is not eligible for final entry by G & K.

Alleged Violations Involving Nissan Skyline Motor Vehicles:

24. From 2000 to 2003, for each of the twenty-one Nissan Skyline motor vehicles identified in Appendix C, G & K certified each of the subject motor vehicles to a less stringent emissions standard. For all of the Nissan Skyline motor vehicles, except for one, G & K mis-certified the motor vehicles by incorrectly reporting to EPA the year of original manufacture. For seven of the twenty-one Nissan Skyline motor vehicles identified in Table 1 of Appendix C, G & K did not follow EPA guidelines for determining the year of original manufacture for six of the motor vehicles and actually new the year of original manufacture for one of the motor vehicles. The failure of G & K to comply with EPA guidelines and thereby certify seven Nissan Skyline motor vehicles to a less stringent emissions standard constitutes at least seven separate violations of Section 203(a)(1) of the Act, 42 U.S.C. § 7522(a)(1) and 40 C.F.R. § 85.1513(a), for which G & K is liable.

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Alleged Violations Involving Ferrari and Porsche Motor Vehicles:

25. From April 2000 to July 2001, for each of the forty-two Ferrari motor vehicles and one Porsche motor vehicle identified in Appendix D, G & K imported the subject motor vehicles under seven separate certificates of conformity that belonged to another ICI, without having a written agency agreement with the certificate holder that authorized G & K to use the certificate holder's certificates of conformity. This constitutes at least forty-three separate violations of Section 203(a)(1) of the Act, 42 U.S.C. § 7522(a)(1) and 40 C.F.R. § 85.1513(a), for which G & K is liable.
26. G & K denies the allegations contained in the Agreement, asserts that any delays encountered in obtaining a certificate was beyond its control, and that it relied on a verbal agreement, instead of the required written agreement in using another certificate holder's certificates of conformity.
27. The parties agree that the settlement of this matter is in the public interest and that this Agreement is the most appropriate means of resolving the matter. By entering into this Agreement, G & K does not admit that it is in any way responsible for the alleged violations or that any violations have occurred.

Terms of Agreement

28. In calendar year 2006, G & K may introduce into commerce the 84 Subject Vehicles identified in Table 3 of Appendix A to this Agreement, the 2 Subject Vehicles identified in Table 4 of Appendix A to this Agreement, and the 1 Subject Vehicle identified in Appendix B to this Agreement, subject to the requirements of this Paragraph 28.
  - a. G & K must obtain from EPA a certificate of conformity for the Subject Vehicles for the emission standards that were in effect in 2003, that is valid in 2006. This

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certificate of conformity applies to the 84 Subject Vehicles identified in Table 3 of Appendix A to this Agreement, and the 1 Subject Vehicle identified in Appendix B to this Agreement.

- b. G & K must obtain from EPA a certificate of conformity for the Subject Vehicles for the emission standards that were in effect in 2004, that is valid in 2006. This certificate of conformity applies to the 2 Subject Vehicles identified in Table 4 of Appendix A to this Agreement.
  - c. G & K must complete modifications of the Subject Vehicles in accordance with the applicable certificate of conformity issued by EPA, must meet the emissions testing and other requirements under 40 C.F.R. Part 85, Subpart P, and must submit a complete Application for Final Admission of Nonconforming Vehicle or Engine Form (EPA Form 3520-8) for the Subject Vehicles demonstrating compliance with these requirements.
  - d. G & K may introduce into commerce the 87 Subject Vehicles during calendar year 2006, provided that EPA approves the Application for Final Admission of Nonconforming Vehicle or Engine submitted by G & K for these vehicles, and provided that G & K does not import any more than 13 additional vehicles under 40 C.F.R. §§ 1503(c) and (e) in calendar year 2006.
29. In the case of any Subject Vehicle that G & K fails to introduce into commerce before December 31, 2006, under the terms of Paragraph 26 of this Agreement, G & K shall export such vehicle out of the United States before January 31, 2007.
30. Within 60 days of the date of this Agreement, G & K shall submit to EPA a plan that is reasonably calculated to ensure that all motor vehicles imported or modified to comply

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with the Federal emissions standards by G & K in the future comply with the requirements of the ICI Regulations, 40 C.F.R. Part 85, Subpart P; and, a plan that is reasonably calculated to ensure that G & K comply with the fee requirements of the Motor Vehicle and Engine Compliance Program Regulations, 40 C.F.R. Part 85, Subpart Y. This plan must be acceptable to EPA, and shall be implemented by G & K within 90 days of the date of this Agreement. This plan must be submitted to:

Jocelyn Adair, Esq.  
Mail Code 2242A  
Room 1109A  
Ariel Rios South Federal Building  
U.S. Environmental Protection Agency  
1200 Pennsylvania Avenue, N.W.  
Washington, D.C. 20460

31. G & K has agreed to pay a civil penalty of \$140,000 in two installments under this Agreement. Accordingly, under this Agreement, within 30 days from the date of this Agreement, G & K shall pay \$70,000 to the United States of America, and \$70,000 plus interest within 13 months from the date of the Agreement. The second payment and any late payment of the civil penalty is subject to interest and fees as specified in 31 U.S.C. § 3717. Respondent agrees to pay this amount by certified check or cashier's check payable to the United States of America, and to mail the payment to:

U.S. Environmental Protection Agency  
Washington Accounting Operations  
P.O. Box 360277M  
Pittsburgh, Pennsylvania 15251  
Attn: AED/MSEB-7109

A copy of each check shall also be sent to Jocelyn Adair at the address specified in Paragraph 30.

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**General Provisions:**

32. The effective date of this Agreement is the date that EPA executes the Agreement.
33. G & K hereby represents that the individual executing this Agreement on behalf of G & K is authorized to do so and that such execution is intended and is sufficient to bind G & K, G & K's agents, assigns, or successors.
34. Notwithstanding any other provisions of this Agreement, upon G & K's failure to timely perform pursuant to Paragraphs 28 - 31 of this Agreement, or default of or failure to comply with any terms of this Agreement, EPA may refer this matter to the United States Department of Justice to recover civil penalties pursuant to Section 205 of the Act, 42 U.S.C. § 7524, and pursue any other remedies available to it. G & K specifically agrees that in the event of such default or failure to comply, EPA may proceed in an action based on the original claim of violation of the Act and 40 C.F.R. Parts 85 or 86, as applicable. G & K expressly waives G & K's right to assert that such action is barred by any applicable statutes of limitation.
35. This settlement is contingent upon the truthfulness, accuracy and completeness of G & K's disclosure and representations to EPA and the prompt and complete remediation of any violations in accordance with this agreement.

**Stipulated Penalties**

36. For failure to comply with the terms of this Agreement on a timely basis G & K shall pay stipulated penalties to the United States as follows:
  - a. In the case of any vehicle that G & K seeks to introduce into commerce under the terms of Paragraph 28 of this Agreement, for failure to comply with the requirements of Paragraph 28, \$5,000 per vehicle;

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- b. For failure to export Subject Vehicles as required in Paragraph 29 of this Agreement, \$100 per day per vehicle;
  - c. For failure to submit to EPA a written plan to prevent future violations, and/or failure to implement such a plan, as required in Paragraph 30 of this Agreement, \$200 per day; and
  - d. For failure to pay the penalty, or provide proof thereof, as required in Paragraph 31 of this Agreement, \$200 per day.
37. For failure to comply with the requirements of 40 C.F.R. Part 85, Subpart P, G & K shall pay stipulated penalties to the United States as follows:
- a. For importing a nonconforming motor vehicle prior to obtaining a valid certificate of conformity for the motor vehicle, unless the vehicles qualifies for an exemption or exclusion under 40 C.F.R. § 1511, thirty percent of the declared import value of the motor vehicle or \$5,000, whichever is greater, per motor vehicle;
  - b. For failure to complete modification of a nonconforming motor vehicle and submit the Application for Final Admission of Nonconforming Imported Vehicle Form (EPA Form 3520-8) within 120 days following the date of importation, unless EPA agrees to a longer time period, \$200 per day beyond 120 days per motor vehicle; and
  - c. For modifying a nonconforming motor vehicle that was not imported by G & K, thirty percent of the declared import value of the motor vehicle or \$5,000, whichever is greater, per motor vehicle.

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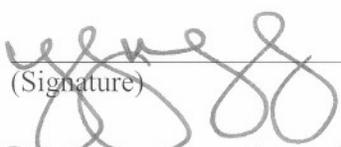
38. All stipulated penalties under Paragraphs 36 and 37 of this Agreement shall begin to accrue on the day after performance is due, and shall continue to accrue until the day compliance is achieved. Nothing herein shall prevent simultaneous accrual of separate stipulated penalties for separate violations of this Agreement. All stipulated penalties shall be paid in accordance with Paragraph 31 of this Agreement and shall be paid within five days of written demand by EPA. Stipulated penalties shall not be construed as prohibiting, altering, or in any way limiting the ability of EPA from seeking any other remedy or sanction available by virtue of Respondent's violation of this Agreement or of the statutes or regulations upon which the Agreement is based.

**Enforcement**

39. Upon completion of the terms of this Agreement, the alleged violations described in this Agreement shall be deemed terminated and resolved. Nothing herein shall limit the right of EPA to proceed against G & K in the event of default or noncompliance with this Agreement; or for other violations of law; or with respect to other matters not within the scope of the Agreement. This Agreement in no way affects, or relieves G & K of responsibility to comply with other state, federal or local law or regulations.

The following agree to the terms of this Agreement:

**G & K Automotive Conversions, Inc.**

By:   
(Signature)

Date: 1/26/06

GEORGE GRAMPH  
(Typed Name) (Title)

Pres

Settlement Agreement In the Matter of G & K Automotive, Inc.  
AED/MSEB # 7109

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United States Environmental Protection Agency

by: Adam M. Kushner  
Adam M. Kushner, Director,  
Air Enforcement Division  
Office of Enforcement and Compliance Assurance

Date: 2/3/06

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## APPENDIX A.

Table 1. 10 Subject Vehicles imported by G & K that will not be introduced into commerce. All of these vehicles are Passion model SmartCars that were used in crash testing.		
ENTRY DATE	YEAR	VIN
12/3/2002	2002	WME01MC011H029344
12/3/2002	2002	WME01MC011H028952
12/3/2002	2002	WME01MC011028257
12/3/2002	2002	WME01MC012024441
12/3/2002	2002	WME01MC01203332
12/3/2002	2002	WME01MC012H102140
12/3/2002	2002	WME01MC012H102892
12/3/2002	2002	WME01MC012H076399
12/3/2002	2002	WME01MC011H092041
7/3/2002	2003	WME01MC012H086981

Table 2. 12 Subject Vehicles imported by G & K for which G & K obtained final admission and sold to ultimate purchasers. All these vehicles are SmartCars that were modified by G & K to meet the requirements of the 2003 certificate of conformity issued to G & K on November 15, 2004.				
ENTRY DATE	YEAR	MODEL	VIN	MODIFY DATE
1/29/2004	2003	PASSION	WME01MC012H052557	4/30/2005
1/29/2004	2003	PULSE	WME4503321J028080	4/30/2005
12/5/2002	2003	PASSION	WME01MC012H076925	4/30/2005
1/29/2004	2003	PASSION	WME01MC012H070160	5/2/2005
12/5/2004	2003	PASSION	WME01MC012H077328	4/30/2005
11/19/2002	2003	PASSION	WME01MC012H091503	4/30/2005
1/29/2004	2003	PASSION	WME01MC012H071947	5/2/2005
1/29/2004	2003	PASSION	WME01MC012H072741	4/30/2005
1/29/2204	2003	PASSION	WME01MC012H069048	4/30/2005
1/29/2004	2003	PASSION	WME01MC012H057513	5/1/2005
1/29/2004	2003	PASSION	WME01MC012H052660	4/30/2005
1/29/2004	2003	PASSION	WME01MC012H058409	5/2/2005

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Table 3. 84 Subject Vehicles imported by G & K that G & K may introduce into commerce under the terms of this Agreement. All these are model year 2003 SmartCars.				
ENTRY DATE	ENTRY NUMBER	MODEL	VIN	MODIFY DATE
1/29/2004	D52-0395653-2	PASSION	WME01MC012H053370	4/30/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H044221	5/2/2005
1/29/2004	M52-0043884-9	PULSE	WME01MC012H050480	6/2/2005
1/29/2004	D52-0395653-2	PULSE	WME01MC012H052753	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H052061	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H058454	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H058466	5/16/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H061252	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H071934	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H069516	5/18/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H072010	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H078205	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H071276	5/18/2005
1/29/2004	D52-0395653-2	PULSE	WME01MC012H081161	6/2/2005
1/29/2004	D52-0395653-2	PULSE	WME01MC012H082012	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H085641	6/1/2005
12/5/2002	M52-0043884-9	PASSION	WME01MC012H090893	5/16/2005
9/30/2003	692-0161925-6	PULSE	WME01MC012H102484	6/2/2005
9/30/2003	692-0161925-6	PURE	WME01MC012H102785	6/2/2005
11/26/2002	M52-0043808-8	PULSE	WME01MC012H080329	6/1/2005
9/30/2003	692-0161925-6	PURE	WME01MC012H102874	6/2/2005
9/30/2003	692-0161925-6	PULSE	WME01MC012H102939	6/2/2005
9/30/2003	692-0161925-6	PULSE	WME01MC012H103084	6/2/2005
9/30/2003	692-0161925-0	PASSION	WME01MC012H103117	6/2/2005
12/5/2002	M52-0043883-9	PASSION	WME01MC012H1075443	6/13/2005
9/30/2003	692-0161925-6	PULSE	WME01MC012H103184	6/2/2005
9/30/2003	692-0161925-6	PASSION	WME01MC012H103403	6/2/2005
8/25/2004	E41-0044345-3	PURE	WME4503321J013067	6/2/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H059731	6/21/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H070932	6/21/2005
1/29/2004	D52-0395653-2	PURE	WME01MC012H103699	6/30/2005
1/29/2004	D52-0395653-2	PASSION	WME01MC012H043685	6/30/2005
1/29/2004	D52-0395653-2	PASSION	WM4503321J038274	6/30/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J022108	6/30/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J020364	6/30/2005

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ENTRY DATE	ENTRY NUMBER	MODEL	VIN	MODIFY DATE
1/29/2004	D52-0395653-2	PASSION	WME4503321J041203	7/5/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J024399	7/5/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J022050	7/5/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J022142	7/5/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J023892	7/5/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J037769	7/5/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J023434	7/5/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J024807	7/5/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J038730	7/5/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J037652	7/5/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J033843	7/5/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J042710	7/5/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043673	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J042179	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J042681	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J038079	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J040850	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J042402	7/6/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J021117	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043773	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J040715	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043409	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043630	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043265	7/6/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J041819	7/15/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043428	7/15/2005
1/29/2004	D52-0395653-2	PULSE	WME4503321J028830	7/15/2005
1/29/2004	D52-0395653-2	PASSION	WME4504321J034418	7/15/2005
1/29/2004	D52-0395653-2	PASSION	WME4504321J034970	7/15/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043318	7/15/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J043326	7/15/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J045163	7/15/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J042135	7/15/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J046007	7/15/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J042235	7/15/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J041215	7/20/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J046337	7/20/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J044542	7/20/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J042120	7/26/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J046010	7/26/2005

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ENTRY DATE	ENTRY NUMBER	MODEL	VIN	MODIFY DATE
1/29/2004	D52-0395653-2	PULSE	WME4504321J045478	7/26/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J042199	7/26/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J044449	7/26/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J044087	7/26/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043357	7/27/2005
1/29/2004	D52-0395653-2	PULSE	WME4504321J044249	7/27/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J042980	7/27/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043280	7/28/2005
1/29/2004	D52-0395653-2	PASSION	WME4503321J043607	7/28/2005

Table 4. 2 Subject Vehicles imported by G & K that G & K may introduce into commerce under the terms of this Agreement. Both of these are model year 2004 SmartCars.

ENTRY DATE	ENTRY NUMBER	MODEL	VIN	MODIFY DATE
7/12/2004	D52-0397487-3	PURE	WME4503321J117323	8/1/2005
7/12/2004	D52-0397487-3	PURE	WME4503321J117538	8/1/2005

#### APPENDIX B

Subject Vehicle imported by person other than G & K that may be modified by G & K and introduced into commerce under the terms of this Agreement.

ENTRY DATE	ENTRY NUMBER	YEAR	MODEL	VIN	MODIFY DATE	STATUS	IMPORTER
UNKNOWN	UNKNOWN	2003	PULSE	WME01MC012H04088	6/2/2005	COMPLETE	FLORENCE WILSON

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## APPENDIX C

## Mis-Certified 21 Nissan Skyline Motor Vehicles

VIN	BUILD DATE REPORTED BY G&K	BUILD DATE REPORTED BY NISSAN
BCNR33-041611	6/1995	4/14/1997
BCNR33-022700	5/1995	5/17/1996
BCNR33-021270	2/1995	2/6/1996
BCNR33-022894	9/17/1995	5/20/1996
BCNR33-022040	12/1995	4/1/1996
BCNR33-023723	12/1995	6/1996
BCNR33-024345	2/1995	9/1996
BCNR33-042243	12/1995	6/23/1997
BCNR33-021458	12/1995	2/22/1996
BCNR33-023200	12/1995	6/19/1996
BCNR33-024118	12/1995	9/4/1996
BCNR33-021831	5/1995	3/18/1996
BCNR33-022230	12/1995	4/1996
BCNR34-003528	1/1999	4/12/1999
BCNR33-041492	12/1995	4/1997
BCNR33-022495	1/1995	4/24/1996
BCNR33-023362	7/1995	7/1/1996
BCNR33-021965	11/1995	3/26/1996
BCNR33-021297	12/1995	2/9/1996
BCNR33-043638	12/1995	9/22/1998
BCNR33-022325	1995	4/1996

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Table 1

G & K either new the year of original manufacture or did not follow EPA guidelines for determining the year of original manufacture and mis-certified to a less stringent emissions standard the following motor vehicles.

VIN	BUILD DATE REPORTED BY G&K	BUILD DATE REPORTED BY NISSAN
BCNR33-042243	12/1995	6/23/1997
BCNR33-021458	12/1995	2/22/1996
BCNR33-023200	12/1995	6/19/1996
BCNR34-003528	1/1999	4/12/1999
BCNR33-022495	1/1995	4/24/1996
BCNR33-021965	11/1995	3/26/1996
BCNR33-043638	12/1995	9/22/1998

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## APPENDIX D

## 42 Ferrari and 1 Porsche Motor Vehicles

ENTRY DATE	ENTRY NUMBER	VIN	BUILD DATE	J.K. Certificate Number
8/7/2000	692-0135288-2	ZFFZR40B000111287	4/1999	314LDV01
12/4/2000	692-01393720	ZFFYR51B000120549	6/2000	314LDV12
12/13/2000	692-01396459	ZFFXR48B000111647	5/1998	314LDV03
12/18/2000	692-0139664-0	ZFFXR48B000115289	11/1998	314LDV03
12/20/2000	692-0139852-1	ZFFYT53B000121873	11/2000	314LDV011
12/20/2000	692-0139850-5	ZFFZR49B000109564	7/1999	314LDV01
12/22/2000	692-0139855-4	ZFFYR51B000119374	11/2000	314LDV11
12/28/2000	U89-0002464-6	ZFFZR49B000118293	1/2000	314LDV08
1/4/2001	692-0140068-1	ZFFYR51B000118380	2/2000	314LDV11
1/24/2001	692-0140780-1	ZFFZR49B000121856	10/2000	314LDV01
01/24/2001	692-0140778-5	ZFFZR49B000117117	4/2002	314LDV01
01/27/2001	692-0140776-9	ZFFYR51B000115906	6/1999	314LDV10
12/27/2001	692-0140777-7	ZFFZR49B000107046	01/2000	314LDV01
02/8/2001	368-0078432-8	ZFFYT53B000122403	01/2000	314LDV11
3/7/2001	692-0141758-6	ZFFZR49B000122554	9/2000	314LDV01
3/15/2001	692-01419764	ZFFXR48B000115923	11/1998	314LDV03
3/15/2001	692-0141975-6	ZFFXR48B000116786	11/1998	314LDV03
3/12/2001	692-0141912-9	ZFFXR48B000116487	12/1998	314LDV03
3/19/2001	692-0142025-9	ZFFXR48B000112206	7/1998	314LDV03
3/29/2001	692-0142299-0	ZFFYT53B000122027	12/2000	314LDV11
3/29/2001	692-0142357-6	ZFFXR48B000115062	01/1998	314LDV03
3/29/2001	FM9-1004418-5	ZFFXR41B000111118	7/1998	314LDV03
4/4/2001	692-0142526-6	ZFFYR51B000119304	4/20002	314LDV11
4/4/2001	692-0142211-5	ZFFYR51B000119415	8/2000	314LDV11
4/5/2001	368-0079674-4	ZFFYR51B000116826	01/2000	314LDV11
4/5/2001	368-0079675-1	ZFFYR51B000120953	01/2000	314LDV11
4/5/20001	692-0142597-7	ZFFYT53B000122612	01/2000	314LDV11
4/5/2001	692-0142602-5	ZFFYR51B000116150	7/1999	314LDV10
4/10/2001	692-0142509-2	ZFFYR51B000121697	01/2000	314LDV11

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ENTRY DATE	ENTRY NUMBER	VIN	BUILD DATE	J.K. Certificate Number
4/12/2001	692-0142762-7	ZFFYT53B000121589	12/2000	314LDV11
4/12/2001	692-0142761-9	ZFFYT53B000122718	12/2000	314LDV11
4/16/2001	692-0142688-4	ZFFZR49B000114315	01/2000	314LDV01
4/18/2001	FM9-1004541-4	ZFFZR49J000115516	01/2000	314LDV01
4/23/2001	692-0143009-2	ZFFXR48B000115912	12/1998	314LDV03
4/23/2001	692-0143008-4	ZFFYR51B000122276	01/2000	314LDV11
4/26/2001	692-0143075-3	ZFFYT53B0001122230	12/2000	314LDV11
6/01/2001	692-0144161-0	ZFFXR48B000114431	12/1998	314LDV03
6/12/2001	WUG-0115726-1	ZFFXR48B000115109	12/1998	314LDV03
6/29/2001	692-0145005-8	ZFFYR51B000117321	01/2000	314LDV11
7/6/2001	692-0145212-0	ZFFYT53B000121862	11/2000	314LDV11
7/10/2001	692-0145302-9	ZFFXR48B000111199	02/1998	314LDV03
7/26/2001	692-0145767-3	ZFFYT53B000121113	12/2000	314LDV11
4/17/2000		WP0ZZ99ZSS315437	5/1995	314LDV03

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